9/6/83
C4170-1

ML3
SC GARNER
SRI SERVICE INC-STE 400
4520 EAST-WEST HWY
BETHESDA MD 20814

MART

30 years of service to the retailer

August 1983

The fu[illegible]ls Today

[illegible]rchmere

Lechmere's Jim Connolly

MART

August 1983

ESTABLISHED 1953

30 years of service to the retailer

Volume 29, Number 12

Group Publisher
Martin Akel

Publisher
William McGorry
2 Park Avenue, New York, NY 10016
(212)340-9754

Editor-in-Chief, Associate Publisher
Cathy Ciccolella
(212)340-9741

Managing Editor
Leslie A. Azia
(212)340-9738

Senior Editor
John Foster

Supplements Editor
Peggy Odenbach
(212)340-9734

Assistant Editor
Jim Robins
(212)340-9700

Midwest Editor
Art Weinberg

West Coast Editor
Ronnie Gunnerson
(714)851-8550

Contributing Editors
Jack Blood, Lois Panosh, Ralph Jones

Art Director
Kathleen Smith

Assistant Art Director
Anthony Perrotti

Production Director
Judy Petrone
(201)361-9060

Advertising Production Manager
Dana Richardson

Circulation Manager
Nancy Colbert
Asst. Christine Shelsy
(413)499-2550

Market Research Director
Marianne Faybik
(212)340-9702

SALES OFFICES

West Coast
Wally Gilbert
Director of Marketing
2041 Business Ctr. Dr., Suite 206, Irvine, CA 92715
(714)851-8550

New York
Judy Miller
Eastern Regional Sales Manager
(212)340-9753

Chicago
George Stevens
4825 N. Scott St. #62, Schiller Park, IL 60176
(312)671-2430

VBPA ☆ABP

GORDON PUBLICATIONS, INC.
A Gordon Communications Company

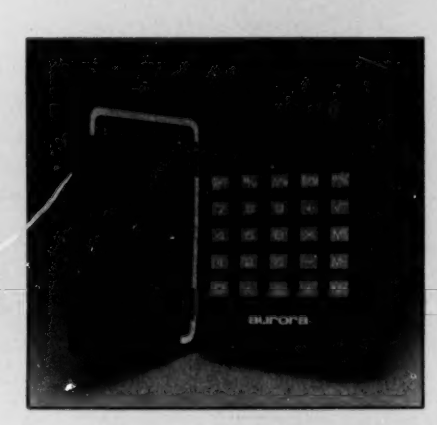
Publishers of MART • TCR • Home Electronics Product News • Computer Dealer • Software Retailing

RETAIL MANAGEMENT

5

Lechmere redesigns its image 5
Credit eases, along with rates 5
PR works for San Francisco dealer 5
Video dealers growing wary of games 5
Computerized operations offer rewards 10
Full-service is key for VIP Computer 11

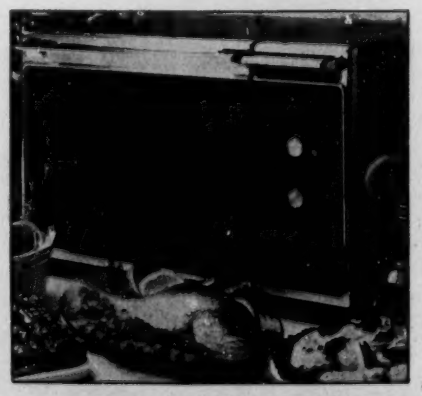
CONSUMER ELECTRONICS



15

Dealers prepare for phone-buying rush 15
Car stereo matures with baby boom 15
Commodore price cut creates frenzy 15
Solar calculators soar with demand 15
Picture for projection TV brightens 17
Spinnaker targets learning software 23

MAJOR APPLIANCES



43

M/w cookware nabs $100 sales 37
Second season boosts grills: Senn 37
Home health-care expands 37
Floor-care business is picking up 37
Second-half prospects look upbeat 46

MART/Focus: Gas Grills 31

Cover photograph by Malyszko

MART is not responsible for unsolicited manuscripts.

MART including Electrical Dealer is published monthly by Gordon Publications Inc., 2 Park Avenue, New York, NY 10016. (212) 340-9700. Second Class postage permit applied for at Dover, NJ 07801-0952. Subscription rates: $30 per year in the U.S. $42 all other countries, airmail $84. Single copy, U.S., $3: all other countries, $6. Publisher reserves the right to accept or reject any subscription. Microfilm copies of complete issues or reproductions of individual articles from microfilm prints can be obtained from Xerox University Microfilms, Ann Arbor, MI 48109.

©Copyright 1983, Gordon Publications Inc. ALL RIGHTS RESERVED, including reproductions of this magazine in whole or in part.

Change of address: Send to Circulation Manager, MART magazine, Berkshire Common, Pittsfield, MA 01201. Postmaster: Send form 3579 to Circulation Manager, MART magazine, Berkshire Common, Pittsfield, MA 01201.

CORPORATE OFFICES: Chairman of the Board—Theodore E. Gordon; President—Kenneth M. Nelson.

Dual Burners Heat Up Grill Sales As Dealers Fuel for Fall Season

Retailers report mid-line, high-end replacements top sizzling summer grill sales

As a spring/summer sales item, the gas grill is approaching its "second season," the late-summer period when sales start cooking again. So far, it's been a pretty good season, most grill dealers told MART.

"Sales are phenomenal as a result of warmer weather, more disposable income, and a general increase in business," reported Dave Pastor of P.E. Fletcher in Nashua, NH, for example.

Aside from those U.S. retailers in the southern sector, most dealers claimed their gas-grill sales had their early-season peak at Memorial Day. Dual-burner replacements accounted for most of those profits, which in return generated sales of grill accessories. Nevertheless, reports varied considerably according to season and region.

John Ormsby's store in Barre, VT, stocks only one line of gas grills: Jacuzzi. Ormsby noted, "Sales are better this year, though they're not selling by the racks. Twenty-five were sold last season. Three years ago, sales were worse, but they're picking up now."

'Sales are phenomenal as a result of warmer weather, more disposable income, and a general increase in business.'
—Dave Pastor, P.E. Fletcher

Ormsby's key gas-grill model is a $300 dual-burner unit. Pastor's most-popular model is also a mid-line grill, a Falcon. Both retailers advertise in local newspapers, and Pastor claimed that his "outdoor sign makes good advertisement," in addition.

Namco, part of a New England chain, recorded slight sales increases (6 to 7 percent). Its double-burner grills, priced from $110 and up, accounted for most of its gas-grill sales; the store favors having a wide selection.

Not all retailers are showing such enthusiasm for summer gas-grill sales, however. For instance, Gary Swiderski, manager of Erickson's Fireplace in Chicago, told MART grill sales have been down "significantly"; spring was the store's best sales season.

Erickson's key-priced model is a $300 Shepard unit; this retailer promotes primarily through the Yellow Pages.

1982 sales of gas grills by retail outlet

Appliance/TV stores	5.6%
Catalog chains	17.6
Catalog showrooms	10.6
Department stores	4.1
Discount stores	22.9
Home improvement centers	9.9
Hardware/houseware	9.2
L.P. Gas dealers	4.2
Natural gas utilities	2.3
Drug stores	5.4
Food & grocery stores	1.2
Patio/outdoor stores	4.2
Premium sales	1.8
Other	1.0
	100.0%

Gas grill household penetration and unit sales (in millions)

	Household penetration	Unit sales
1982	16.28%	1.790
1983	18.33	1.953
1984	20.37	2.133
1985	21.93	2.296
1986	23.52	2.457

Source: Barbecue Industry Assn.

In Sunbelt regions, as Dennis Bowmer, of Bowmer & Berry Showcase in Las Vegas, put it, "It's another world.

"Temperatures can reach 108°, and nobody cooks out then—they wait 'til the fall," he explained. "Sales are terrible, and were last year, too. I have about a dozen models left."

The expansion of the gas-grill market has forced dealers to struggle. Bowmer complained that dealers are doing themselves a "disservice."

His key price points range from $249 to $500, but he does not advertise grills.

J.G. Bennet Boyd Appliances in Dallas got out of the gas-grill business three years ago, at a time when many dealers deserted the market. A spokesman for Bennet Boyd claimed he wasn't familiar with any other retailer in Dallas who still sold gas grills.

Some southern dealers "don't fool with gas" at all, as far as grills are concerned, and only "stock gas ranges on request," they told MART.

For example, Carey Miller, president of Bill Hall's TV & Appliances in Largo, FL, does not stock gas grills in any of his six stores. Miller noted that the vast amount of his gas ranges purchased were for mobile homes. Electric ranges are a different story, but electric grills have not been as successful as the ranges, he said.

Most retailers agree that the electric grill's primary advantage over gas is its use on apartment balconies. However, dealers said they have no doubt that gas will always overshadow electric models, since electric grills consume much more energy, heat up more slowly, and have a smaller cooking surface.

F. Hardy Rickbeil's hardware/appliance store in Worthington, MN, has been selling gas grills for four years, and sales have increased every year.

"We only sell Char-broil," reported Richard Rickbeil of the store, "but offer four models. Dual burners are selling better by far."

Rickbeil also remarked that most of his gas-grill sales (12 to 15 units) had been made by mid-summer.

Despite his success with selling gas grills, Rickbeil declared, "It's cutting into my charcoal business! I'm not selling as many charcoal grills." This retailer also attributes the slack in his charcoal-grill sales to the price of charcoal, which has "doubled within the past five years."

Rickbeil did complain that he must often assemble his gas grills, which is time-consuming and expensive: "They come knocked-down. I try to make the customers assemble them."

'People who have it in their minds to buy a gas grill are going to buy it, regardless of what the weather is doing.'
—John Castronovo, El Vee

Many independent dealers fear that the market for gas grills has grown too competitive.

Milton Rosenberg, manager of Bernie's TV in Bloomfield, CT, said his store "left the gas-grill business three years ago, after the market became oversaturated with paint stores, pool stores . . . "

What happens when a period of inclement weather strikes? John Castronovo, manager of El Vee, a patio-specialty store in Brooklyn, NY, recalled a few cloudy weekends this spring, but said, "People who have it in their minds to buy a grill are going to buy it."

Structo and Ducane are El Vee's top-selling brands.

Some retailers consider the gas grill to be the hottest cooking appliance on the market. Others don't view the category quite so favorably, particularly southerners. Nonetheless, the upcoming "second" season in late summer is when southern retailers really expect gas grills to start cooking. □

TIM MCGORRY

MART

Video Software

30 years of service to the retailer

September 1983

Video Software: Fall Sales Star

MART

ESTABLISHED 1953

September 1983

30 years of service to the retailer

Volume 30, Number 1

Group Publisher
Martin Akel

Publisher
William McGorry
2 Park Avenue, New York, NY 10016
(212)340-9754

Editor-in-Chief, Associate Publisher
Cathy Ciccolella
(212)340-9741

Managing Editor
Leslie A. Azia
(212)340-9738

Supplements Editor
Peggy Odenbach
(212)340-9734

Assistant Editor
Jim Robins
(212)340-9762

West Coast Editor
Ronnie Gunnerson
(714)851-8550

Contributing Editors
John Foster, Art Weinberg,
Jack Blood, Lois Panosh

Art Director
Kathleen Smith

Assistant Art Director
Anthony Perrotti

Production Director
Judy Petrone
(201)361-9060

Circulation Manager
Nancy Colbert
Asst. Christine Shelsy
(413)499-2550

Market Research Director
Marianne Faybik
(212)340-9702

SALES OFFICES

West Coast
Wally Gilbert
Director of Marketing
2041 Business Ctr. Dr., Suite 206, Irvine, CA 92715
(714)851-8550

New York
Judy Miller
Eastern Regional Sales Manager
(212)340-9753

Chicago
George Stevens
4825 N. Scott St. #62, Schiller Park, IL 60176
(312)671-2430

BPA ABP

GORDON PUBLICATIONS, INC.
A Gordon Communications Company

Publishers of MART • TCR • Home Electronics Product News • Computer Dealer • Software Retailing

CONSUMER ELECTRONICS

5

Phone bells jingling this Christmas 5
Racks v. components? Where's the biz? 5
Color TV looks bright second half 5
Softsel sponsors computer training 12

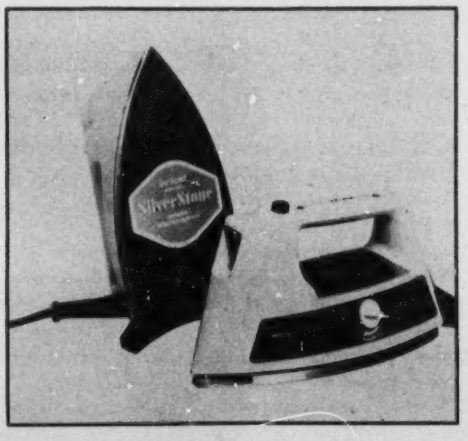
MART/Focus: Video Software 13

RETAIL MANAGEMENT

49

Step sales up by price point: NARDA 49
Team Central melds A+V+ computer 49
M/W specialty chain adds computers 49
Polk Bros. promo uses circus tickets 50
NAB program recovers co-op dollars 51
New commission stresses technology 52

MAJOR APPLIANCES



65

Health boom aids air-cleaner sales 57
Summer heat creates RAC demand 57
irons sell well across-the-board 65
Speaking Out by Jack Blood 67
Rabin's upholds sales line-up 72
Plugging In by Lois Panosh 73

MART, including Electrical Dealer, is published monthly by Gordon Publications Inc., 2 Park Avenue, New York, NY 10016. (212)340-9700. Second Class postage permit applied for at Dover, NJ 07801-0952. Subscription rates: $30 per year in the U.S. $42 all other countries, airmail $84. Single copy, U.S., $3: all other countries, $6. Publisher reserves the right to accept or reject any subscription. Microfilm copies of complete issues or reproductions of individual articles from microfilm prints can be obtained from Xerox University Microfilms. Ann Arbor, MI 48109.

©Copyright 1983, Gordon Publications Inc. ALL RIGHTS RESERVED, including reproductions of this magazine in whole or in part.

Change of address: Send to Circulation Manager, MART magazine, Berkshire Common, Pittsfield, MA 01201. Postmaster: Send form 3579 to Circulation Manager, MART magazine, Berkshire Common, Pittsfield, MA 01201.

CORPORATE OFFICES: Chairman of the Board—Theodore E. Gordon: President—Kenneth M. Nelson

CONSUMER SURVEY

MART Focus

Video-Specialty Stores Come Out on Top: MART Survey

What kinds of video software are VCR owners buying or renting these days . . . and what type of store do they go to for that software? What types of programming are most popular for sales or rentals? How much software does a consumer buying a video cassette recorder pick up at the same time . . . and how much will that consumer purchase afterward?

To find out, MART recently surveyed 1,550 known recent purchasers of video cassette recorders, asking them about their software-buying habits, how they made their video-hardware purchasing decisions, and which related video products they plan to purchase next. Five percent of the VCR owners who returned our questionnaire own a video-disc player as well, and were asked about their disc-buying patterns, too.

This sixth annual MART consumer survey indicates that VCR purchasers are turning more and more to video-specialty stores . . . and returning to specialists for their software needs, as well. And, not surprising to any video-software dealer, our survey shows that rentals are becoming an increasingly important part of the pre-recorded market.

If You Were Buying Another VCR, What Would Be Most Important to You?

Manufacturer's Reputation	39%
Price	32%
Special Features	22%
Ease of Operation	13%
Programmability	12%
Length of Recording Time	7%
Portability	6%
Salesperson's Recommendation	3%
Friend's Recommendation	2%

(Totals more than 100% because of multiple responses)

What Is Your Most Common Use of the VCR?

Recording While Away from Home or Asleep	37%
Playing Pre-Recorded Tapes	34%
Building Library of Recorded Programs	14%
Taping with Camera	14%
Recording While Watching	10%
Recording One Program/ Watching Another	9%
Other/No Answer	2%

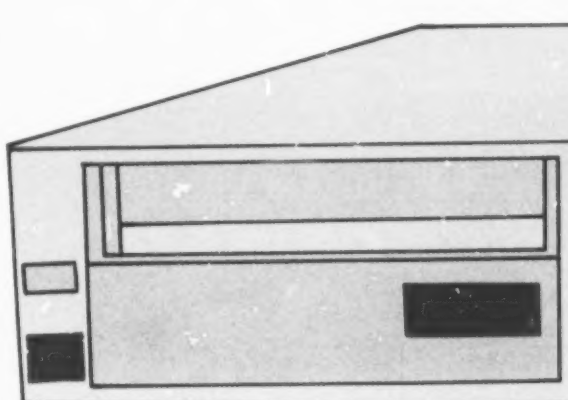
Totals more than 100% because of multiple responses)

If You Were To Buy a New VCR, Where Would You Most Likely Buy It?

Video Specialty Store	37%
TV/Appliance Store	28%
Catalog Showroom	10%
Discount Store	10%
Department Store	6%
Hi-Fi Specialty Store	5%
Mass Merchandiser	4%

Where Did You Purchase Your VCR?

Video Specialty Store	33%
TV/Appliance Store	31%
Department Store	8%
Catalog Showroom	8%
Discount Store	7%
Hi-Fi Specialty Store	6%
Mass Merchandiser	4%
No Answer	3%



Why Did You Choose This Particular VCR?

Price	33%	Programmability	6%
Manufacturer's Reputation	20%	Length of Recording Time	5%
Special Features	12%	Salesperson's Recommendation	5%
Ease of Operation	8%	Portability	4%
Friend's Recommendation	7%		

(Totals more than 100% because of multiple responses)

Video-cassette-recorder owners are buying more software these days . . . and buying it primarily from video-specialty retailers, according to MART's exclusive 1983 video survey.

At that same time, this year's survey respondents indicated, video-specialty stores continue to make inroads into the video-hardware market, primarily at the expense of TV/appliance outlets, which dropped sharply in their share of the VCR market compared with last year's MART survey.

On the software side, 58 percent of the consumers who returned MART's questionnaire said they most often buy or rent pre-recorded tapes at a video-specialty store; no other type of retail outlet got even 10 percent of the remaining consumers' business.

Of the consumers who did not cite video specialists as their primary software outlet, 9 percent said they usually buy or rent at a TV/appliance store, 5 percent at a record store, and 3 percent at a discount store. No other type of retail operations was mentioned by more than 2 percent of these VCR owners.

And these consumers *are* renting software. Seventy-nine percent of these VCR owners told MART they rent pre-recorded tapes, and 59 percent of them belong to a video-rental club. (By comparison, in last year's MART survey only 69 percent of the respondents said they ever rented software, although 63 percent belonged to a rental club.)

The consumers who are renting software are renting a lot of it: 26 percent of the survey respondents who said they rent tapes rent 10 or more cassettes a month, while another 17 percent rent six to nine tapes a month and 19 percent rent four or five. The average number of tapes rented each month by this group is 8.2, up from 5.6 tapes in last year's survey.

The average price paid per night to rent tapes is $2.39, this year's survey respondents said, although they indicated a broad diversity in rental fees. Nearly 13 percent said they pay less than a dollar to rent a tape for one night; another 15 percent pay from $1 to $2. And 7 percent said they pay $4 or more for an overnight rental.

Software purchases are moving at a much slower rate. At the time these consumers bought their VCR, they purchased an average of only 0.4 pre-recorded tapes (perhaps attributable to the fact that only 29 percent of these VCR owners said the salesperson made any attempt to sell them tapes or a camera along with the machine); only 3 percent

[Continued on page S-6]

CONSUMER SURVEY

Video-Specialty Stores, Rentals, Come Out on Top with VCR Owners:

[Continued from page S-5]
bought more than two. Since buying the VCR, this group has purchased an average of only 1.7 prerecorded tapes, although 5 percent of them have bought 10 or more.

What kind of programming are these consumers watching? Not surprisingly, current feature films came out on top, bought or rented by these VCR owners 60 percent of the time. Next was movie classics, at 15 percent, while X-rated films got 11 percent of these consumers' tape dollars.

Children's programming is bought or rented 9 percent of the time by this group; no other type of programming got more than a 2-percent share.

Among those consumers who said they never rent tapes, but prefer to buy them, current feature films dropped to 30 percent, while educational or instructional programming rose to 14 percent of their purchases. (Interestingly, in last year's MART survey, 37 percent of the VCR owners who said they prefer to buy rather than rent picked X-rated programming as their top choice; this year, X-rated tapes got only an 8 percent share among the purchase-only group.)

Software buying patterns—for blank and pre-recorded tape—are reflected in consumers' use of their VCRs: 37 percent cited recording while away from home or asleep.

These VCR owners are also buying quite a bit of blank software. At the time they bought the machine, these consumers purchased an average of 2.4 blank tapes as well; 18 percent of them bought four or more blank cassettes with their VCRs (despite their salespeople's general lack of interest in selling software).

Since buying the hardware, however, their software purchases have escalated: this group has bought an average of 9.5 tapes since buying the VCR (within the past year for most of these consumers), and 34 percent have bought more than 10 blank tapes.

These software buying patterns—for both blank and pre-recorded tape—are reflected in the consumers' uses of their VCRs. Asked, "What is your most common use of the VCR?", 37 percent of MART's survey respondents cited recording while away from home or asleep, while 34 percent said they used the machine primarily for playing pre-recorded tapes.

In last year's survey, by comparison, 53 percent of the respondents said they used their VCRs primarily for recording while away or asleep, while only 28 percent said playing pre-recorded software was their primary usage.

Use of a video camera is also growing: this year, 14 percent of MART's respondents said taping with a camera was their primary use of their VCRs, up from only 7 percent in the 1982 survey.

What types of stores did these consumers choose for their hardware purchases? For the first time in MART's six VCR consumer surveys, the video-specialty store came out on top, with 33 percent of these consumers buying their VCRs from a specialist. TV/appliance stores were the choice of 31 percent of this group, while no other type of retail outlet got more than 8 percent of these consumers' business.

In last year's survey, on the other hand, the TV/appliance store retained first place, with 39 percent of the 1982 survey respondents purchasing from that type of outlet; the video-specialty store got only 27 percent of that group's VCR business.

And if they had it to do over again, even more of these consumers—37 percent—said they would go to a video specialist to buy a VCR. Only 28 percent would pick a TV/appliance store if they were to buy a new VCR.

As for how they picked the particular VCR model they purchased, the price of the unit once again emerged as the number-one criterion. Thirty-three percent of these VCR owners said they chose their video recorder primarily on price, while another 29 percent said the manufacturer's reputation was most important in making their buying decisions.

Special features were most important to 12 percent of the consumers; no other factor got more than 8 percent in their rankings.

(In last year's MART survey, price also emerged on top, with 31 percent of the respondents naming it their most important criterion. Manufacturer's reputation was most important to 28 percent, while special features topped the list for 11 percent of the respondents.

When You Bought the VCR, Did the Salesperson Attempt To Sell You Tapes or a Camera?

Yes	29%
No	71%

At the Time You Bought the VCR, How Many Blank Tapes Did You Purchase?

None	17%
1	25%
2	29%
3	10%
4 to 5	8%
6 to 9	6%
10 or more	5%

Mean: 2.4 tapes

At the Time You Bought the VCR, How Many Pre-Recorded Tapes Did You Purchase?

None	85%
1	3%
2	3%
3	1%
4 or more	2%
No Answer	6%

Mean: 0.4 tapes

Since Buying Your VCR, How Many Blank Tapes Have You Purchased?

None	13%
1	6%
2	10%
3	6%
4 or 5	14%
6 to 9	16%
10 or more	33%
No Answer	2%

Mean: 9.5 tapes

Since Buying Your VCR, How Many Pre-Recorded Tapes Have You Purchased?

None	75%
1	5%
2	2%
3	2%
4 or 5	4%
6 to 9	2%
10 or more	5%
No Answer	5%

Mean: 1.7 tapes

Do You Ever Rent Pre-Recorded Tapes?

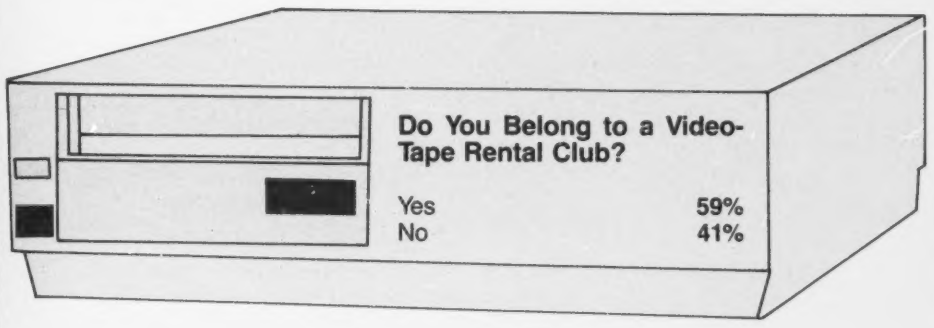
Yes	79%
No	21%

If You Rent Tapes, How Many Do You Generally Rent Per Month?

1	9%
2	14%
3	9%
4 or 5	19%
6 to 9	18%
10 or more	26%
No Answer	5%

Mean: 8.2 tapes

and Current Feature Films Video Consumers Tell MART



Do You Belong to a Video-Tape Rental Club?

Yes	59%
No	41%

Age

24 or Under	7%
25 to 34	33%
35 to 44	29%
45 to 54	18%
55 to 64	8%
65 or over	4%

Average Age: 38

Sex

Male	76%
Female	22%
No Answer	2%

Total Household Income

Less than $15,000	4%
$15,000 to $19,999	9%
$20,000 to $24,999	14%
$25,000 to $34,999	24%
$35,000 to $49,999	25%
$50,000 or over	24%

Median Income: $35,000

Average Share of Video Software Bought/Rented by Type:

Current Features	60%
Movie Classics	15%
X-rated	11%
Children's Programs	8%
Education/Instruction	2%
Sports	1%
Other	2%
No Answer	3%

If You Own a Video-Disc Player, How Many Video Discs Have You Purchased?

None	12%
1	4%
2	8%
3	8%
4 to 6	11%
10 or more	27%
No Answer	30%

Highest Grade of School Completed

8th Grade or Less	1%
Some High School	3%
High-School Graduate	27%
Some College	28%
College Graduate	19%
Post-Graduate Work	23%

Marital Status

Married	77%
Single	15%
Widowed	1%
Separated/Divorced	5%
No Answer	1%

In What Type of Store Do You Usually Buy or Rent Pre-Recorded Tapes?

Video-Software Specialist	58%
TV/Appliance Store	9%
Record Store	5%
Discount Store	3%
Mass Merchandiser	2%
Department Store	1%
Catalog Showroom	1%
Other	1%
No Answer	21%

(Totals more than 100% because of multiple responses)

Have You Purchased a Video Camera for Use with Your VCR?

Yes	12%
No	88%

If Not, Do You Plan To Purchase a Video Camera?

Yes, Within 6 Months	2%
Yes, Within 12 Months	12%
Yes, Within 18 Months	20%
Do Not Plan to Buy	52%
No Answer	15%

Do You Currently Own a Video-Disc Player?

Yes	5%
No	95%

If Not, Do You Plan To Buy a Video-Disc Player?

Yes, Within 6 Months	0%
Yes, Within 12 Months	1%
Yes, Within 18 Months	1%
Do Not Plan To Buy	90%
No Answer	8%

Do You Ever Rent Video Discs?

Yes	73%
No	27%

Mean: 8.5 discs

If they had it to do over again, however, these VCR owners would put more stock in the manufacturer's reputation than in price of the VCR: 39 percent said the manufacturer's reputation would be most important if they were buying another VCR, while only 32 percent picked price. Ease of operation, cited by only 8 percent as most important in their original VCR purchase, would be most important to 14 percent if they bought a second unit.

What about future buying plans? Only 5 percent of this group currently own a video-disc player (and have purchased an average of 8.5 discs to play on it). And a disc player does not figure heavily in the short-term buying plans of the rest of these consumers: 90 percent said they do not plan to buy a disc player, and only 2 percent said they expect to buy one within the next 12 to 18 months.

Video cameras, on the other hand, are fairly high on these consumers' shopping lists. Twelve percent of this group own video cameras now; 14 percent said they plan to buy a camera within the next six to 12 months, and another 20 percent said they will probably buy one within 18 months.

Some of these consumers will also be in the market for a new color-television set shortly. Twelve percent of MART's survey respondents said they plan to buy a new color set within the next 6 to 12 months, while another 6 percent indicated they will buy a color TV set within the next 18 months.

What does all this mean to the retailer selling video software and/or hardware?

First, the continuing gain in the usage of a VCR to play pre-recorded programming indicates continuing growth of the video-software business, both sales and—to a greater extent, as evidenced by these consumers' rental patterns—rentals.

These rental patterns also indicate that rentals are the customer's preferred way of trying a broad variety of programming, over a range of price levels.

MART's statistics also indicate that the video specialist on both the hardware and software side of the business is continuing to make inroads into the sale market, coming out on top for the first time among the hardware customers and strengthening its lead when they come to buy software.

Finally, the survey shows that these generally young, affluent consumers are still in the market for accessories such as video cameras, and are interested in a number of cases in buying a new TV set as well: a good reason for retailers to follow up on their past VCR customers for future business. □

CATHY CICCOLELLA